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BEFORE THE ARIZONA CORPORATION COMMISSION

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COMMISSIONERS

BOB STUMP - Chairman

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2014 MAY -9 P 12:10

Arizona Corporation Commission

DOCKETED

ARIZONA CORPORATION COMMISSION
DOCKET CONTROL

MAY 09 2014

ORIGINAL

DOCKETED BY

IN THE MATTER OF THE APPLICATION OF
NACO WATER COMPANY, LLC FOR A
PERMANENT INCREASE TO ITS WATER
RATES.

DOCKET NO. W-02860A-13-0399

**STAFF'S MOTION TO COMPEL OR, IN
THE ALTERNATIVE, TO SUSPEND
TIME CLOCK**

Naco Water Company, LLC. ("NWC" or "Company") filed an application for a rate increase on November 20, 2013. The application was found sufficient on February 10, 2014. On March 27, 2014, the Utilities Division ("Staff") of the Arizona Corporation Commission ("ACC" or "Commission") issued data requests to the Company which included the following:

STF 5.1 Please provide the settlement agreement between Freeport and Naco. How much has Naco received from Freeport for plant replacement and what is the total actual cost?

On April 9, 2014, Naco responded to that Data Request as follows: "The agreement is confidential and/or trade secret information not subject to public disclosure. The total actual cost of the plant installed by Freeport has already been disclosed."¹

Staff has determined that it needs to review the subject settlement agreement to determine if it is relevant to the rate case. It appears that Freeport provided either financing or assets to the Company, which Staff must review in order to make recommendations in this case. Staff recognizes the agreement may be confidential and has submitted a protective agreement to Naco's counsel. Staff has further advised counsel that it is not seeking a copy of the document, which could lead to accidental disclosure; Staff is willing to merely view the document at Staff's office or that of counsel for Naco, but Naco continues to refuse to permit Staff to view the document. Further, Staff has

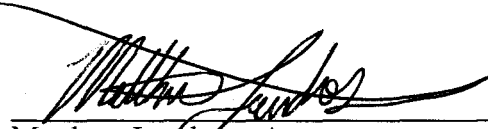
¹ Naco's Response to Staff's Fifth Set of Data Requests at 3.

1 attempted to contact counsel for Freeport to explain the nature of Staff's requests. Staff left detailed
2 telephone messages for said attorney which have not been returned.

3 Naco does not appear to understand, as its most recent communications continue to refer to
4 "public" disclosure. That is not what Staff seeks. It is Staff's position that Naco, in seeking a rate
5 increase, must cooperate with Staff and take all reasonable steps to permit Staff to review the subject
6 document. Staff seeks a motion to compel Naco to execute the protective agreement, to allow Staff
7 to travel the office of counsel for Naco to review that document, and to take any other actions needed
8 to accomplish that goal.

9 At this time, Staff does not seek a suspension of the time clock, though it is offered as an
10 alternative should it be deemed appropriate.

11 RESPECTFULLY SUBMITTED this 9th day of May, 2014.

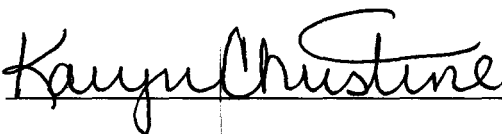
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18 Original and thirteen (13) copies
19 of the foregoing filed this
9th day of May 2014 with:

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